



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 13-16)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 13-16 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: May 1, 2013.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

APR 16 2013

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 13-16, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the United Kingdom for defense articles and services estimated to cost \$95 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "William E. Landay III", is positioned above the printed name.

William E. Landay III
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 13-16

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: United Kingdom
- (ii) Total Estimated Value:

Major Defense Equipment*	\$75 million
Other	<u>\$20 million</u>
TOTAL	\$95 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 500 AGM-114-N4/P4 HELLFIRE missiles
- (iv) Military Department: Air Force (YAY)
- (v) Prior Related Cases, if any:

FMS Case UK-B-WKG – \$113,000 - Apr 1998
FMS Case UK-B-WKI - \$21M – Sep 2007
FMS Case UK- D-YAC - \$22M – May 2008
FMS Case UK-D-YAF - \$21M – Mar 2011
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex
- (viii) Date Report Delivered to Congress: 16 April 2013

* As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Kingdom– HELLFIRE Missiles

The Government of the United Kingdom (UK) has requested a possible sale of 500 AGM-114-N4/P4 HELLFIRE missiles. The estimated cost is \$95 million.

This program will directly contribute to the U.S. foreign and national security policies by enhancing the close air support capability of the United Kingdom in support of NATO, ISAF, and other coalition operations. Common close air support capabilities greatly increases interoperability between our two countries' military and peacekeeping forces and allow for greater burden sharing.

The proposed sale will support the UK's ability to meet current and future threats by providing close air support to counter enemy attacks on coalition ground forces in Afghanistan. The UK, which already has HELLFIRE missiles in its inventory, will have no difficulty absorbing these additional missiles.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be Lockheed Martin Corporation of Orlando, Florida. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the United Kingdom.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 13-16

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The AGM-114-N4/P4 HELLFIRE missile is a rail-launched guided missile with a maximum direct-fire range of 9000 meters. The AGM-114-N4/P4 variant contains a shaped charge warhead and a Semi-Active Laser (SAL) seeker, while the variant contains a blast/fragmentation warhead and a SAL seeker. SAL missiles home on laser energy reflected off a target that has been illuminated by a laser designator. The weapon system hardware, components, training, and documentation provided with the sale thereof are confidential. Software sensitivity is primarily in the programs that instruct the system on how to operate in the presence of countermeasures.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.